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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002337

SIPDIS

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TAGS: PGOV PREL TW

SUBJECT: NATIONAL ASSEMBLY SET TO APPROVE CONSTITUTIONAL

REFORMS

REF: 2004 TAIPEI 2662

Classified By: AIT Deputy Director David J. Keegan, Reason 1.4 b

- 11. (C) Summary. The National Assembly (NA) will convene in Taipei on May 30 to consider a package of constitutional reforms that leaders in both the DPP and KMT hope will encourage development of a two-party political system and discourage radical amendments to the constitution. The high ratification threshold of 75 percent, however, has added an aura of uncertainty to the NA, with concern that some of the 83 percent of NA delegates elected in support of the reforms might not honor their pledge and, thus, defeat the reforms. Fearing retribution from DPP elder Lin Yi-hsiung and worried that the opposition Kuomintang (KMT) would not, or could not, enforce discipline, the ruling Democratic Progressive Party (DPP) frantically -- and unsuccessfully -- tried to alter the ratification threshold from 75 to 50 percent earlier this week. KMT leaders, however, insist their delegates will vote for the constitutional revisions, which would ensure passage of the package. End Summary.
- 12. (U) The ad hoc NA will begin meeting on Monday, March 30, to deliberate on a package of constitutional revisions passed by the Legislative Yuan (LY) last August (Ref A). The NA is "ad hoc" (renwuxing) because it is charged with one task --voting yes or no on the package -- before dissolving itself permanently and leaving Taiwan with a unicameral legislature, the LY. Although the NA has a maximum of 30 days to meet, most delegates and analysts expect the actual ratification process to be completed quickly, perhaps in one or two days, after the plenary session commences June 9.

A Question of Party Discipline

- 13. (C) With 83.1% of NA delegates elected from political parties supporting ratification of the constitutional revisions, the outstanding question is whether the pro-revision political parties, particularly DPP and KMT which together won 244, or 80 percent, of the 300 NA seats, can impose party discipline on their delegates. DPP SecGen Su Tseng-chang publicly pledged that all DPP delegates will vote for the constitutional revision package as they had been entrusted to do.
- 14. (C) The DPP supported passage of an NA Procedural Law on May 20 that imposed a 75 percent ratification threshold, but it developed second thoughts over the weekend. Deputy SecGen Yan Wan-ching told AIT that his party became concerned over the possibility of a substantial number of "vote runners" (paopiao), delegates breaking ranks with their party and abstaining or opposing the revision package. This, he hastened to add, will not be a problem for the DPP, which will maintain strong party discipline with few if any dissenters. The KMT, he grimaced, is another story, and DPP is not at all confident KMT party discipline will hold. Because of this concern, President Chen and the DPP sought to revise the Procedural Law, lowering the ratification threshold from 75 to 50 percent. An equally compelling reason for this last minute switch was DPP fear of criticism by its former chairman Lin Yi-hsiung that a 75 percent bar was non-constitutional. Lin suggested President Chen should be recalled unless he was able to lower the ratification threshold to 50 percent. The unorthodox move, however failed, and ratification remains at 75 percent.
- 15. (C) The KMT, for its part, insists that its support for the constitutional revision package is solid. When KMT NA delegate Chu Chun-yuan told the media on May 24 that he might vote against the reform package, KMT leaders rushed to reassure the public that the KMT will honor its NA election pledge. The next day, KMT Chairman Lien Chan announced that all 117 KMT delegates will vote for the constitutional reform package, and other senior party officials stated the party will expel any delegates who vote against the package and replace them in the NA. The same day, Chu Chun-yuan himself wrote a letter to the KMT leadership pledging that he will cooperate in full with the KMT in the NA. Taoyuan County Magistrate Eric Chu told the AIT Deputy Director on May 27 that all KMT delegates will vote for the revisions, dismissing the possibility of any KMT member not voting along

party lines. Chu said he is convinced the constitutional reforms will be ratified quickly and without any problems. He stressed that the KMT believes that these reforms will force the PFP to return to the KMT, which is an important party objective.

Comment: Likely Impact of the Reforms

 $\P6$. (C) The proposed reform package will halve the number of LY seats, create a single-member district electoral system, provide for an island-wide referendum on future constitutional amendments, and permanently dissolve the NA. Most LY members, political analysts, and NA delegates with whom AIT has discussed the constitutional reform package since last August agree on two probable effects of the revisions. First, the single-member district electoral system will encourage evolution into a two-party political system, probably under the two major parties, DPP and KMT. Second, the referendum will raise the bar for ratification of constitutional amendments by adding an additional step requiring a majority of all eligible voters to approve future constitutional amendments. By marginalizing small, often more radical, political parties and by raising the bar on constitutional amendments, the constitutional reform package up for consideration by the NA should reinforce moderate elements in the Taiwan political system and moderation in cross-Strait relation. While President Chen has announced that this "first stage" of constitutional reform will be followed by a "second stage," he has been careful to specify that future reforms will focus on government efficiency and bringing the half century-old constitution up to date. has also said that constitutional reforms will only be possible if they are broadly supported. DPP leaders responsible for constitutional reform have assured AIT they are aware that both Beijing and Washington are closely watching the constitutional reform process. They pledge to proceed cautiously and responsibly in order not to arouse concern, and to keep AIT informed as plans for future constitutional reform take shape. PAAL